

HOUSE BILL 2126
By McMillan

AN ACT to amend Tennessee Code Annotated, Section 8-30-214(d), relative to establishment of a comprehensive structure of compensation for state employees.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 8-30-214(d), is amended by deleting the language in its entirety and by substituting instead the following:

(d)

(1) Each July 1, career service employees whose job performance is satisfactory and who are in steps one (1) through nine (9) in their salary range shall receive a one (1) step salary increase. Employees at or above the tenth step of their salary range shall not be eligible for such step increase. Such step increases shall only be awarded to career service employees who have completed twelve (12) continuous months of state service as of July 1 of each year. Career service employees who have not completed twelve (12) continuous months of state service as of July 1 of each year shall be eligible for the step increase upon completion of twelve (12) continuous months of state service.

(2) Pay ranges shall be adjusted each July 1 prior to awarding annual step increases to reflect the percent of change in the average consumer price index (all items-United States city average) as published by the United States department of labor, bureau of labor statistics, between the two (2) calendar years preceding July 1 of the year in which the adjustment is made. However, no reduction shall be made by way of adjustment on account of any decrease in the average consumer price index between two (2) successive calendar years. Such

adjustment shall not exceed five percent (5%) per annum except when the change in the average consumer price index exceeds ten percent (10%), in which event the adjustment shall be equal to five percent (5%) plus one percent (1%) for each one percent (1%) or fraction thereof beyond ten percent (10%).

SECTION 2. This act shall take effect July 1, 2005, the public welfare requiring it.